

**BRITISH AID TO
INDONESIA :
THE CONTINUING
SCANDAL**

BY

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INTRODUCTION

It appears that the overriding objective of British aid programmes is to promote British business, particularly big business which has close ties with the Conservative Government. In Indonesia, commercially orientated Aid and Trade Provision funding (see note 2.) accounts for 50% of the ODA programme in Indonesia . Under the Conservatives, the ATP has expanded and been used to support British companies which are competing for overseas contracts, with virtually no meaningful attempt to impose development criteria. ATP funds come out of the aid budget but project proposals are handled by the DTI. The ODA is then asked to approve multi-million pound investments often in just a matter of weeks. Such expenditure on too many occasions has been determined by the needs of a few companies and not the needs of recipient governments or the poor.

British business is promoted whether it is civil or military in nature, even if it involves the supply of arms which may be used for internal repression (although the Government has repeatedly said it does not supply arms to countries where they might be used for internal repression). Witness the recent substantial increases in bilateral aid to Indonesia and in the number and value of arms deals. The Government's continuing claim that there is no link between aid and arms sales is sophistry of the worst kind.

This report illustrates the point :

1) by examining the record of the GEC group of companies. It reveals an intriguing web linking controversial aid contracts and arms deals, former Tory ministers, unaccountable Government quangos, and examples of excessive Government secrecy.

2) by showing how the Government's unprincipled pursuit of commercial gain and its desire to strengthen further its relations with the repressive regime of President Suharto has led to British aid being provided to the brutal Indonesian National Police, presumably to foster the influence of the British Government over senior officers. As members of the armed forces, they are potential buyers of British arms/security equipment.

3) by showing how the pursuit of commercial gain has also led to British aid being provided for projects which include East Timor as well as Indonesia, contrary to statements made in Parliament by British ministers and, possibly, in violation of British and International law.

4) by exposing the myth of Britain's commitment to human rights by revealing that just six days after the infamous Santa Cruz cemetery massacre in November 1991, which resulted in between 150 - 270 deaths, the Government signed a memorandum of understanding [a binding government to government agreement which does not have the same status as a formal treaty, but which can be binding if that is the intention of the parties] relating to defence contracts with the Government of Indonesia.

NOTES:

1. Indonesia's armed forces invaded the neighbouring former Portuguese colony of East Timor in December 1975 and Indonesia annexed the territory as its 27th province the following year. The bloody invasion and subsequent repression of the East Timorese people resulted in an estimated 200,000 deaths. The United Nations has never recognized Indonesian sovereignty over East Timor; it still regards Portugal as the administering power. The right of the people of East Timor to self-determination is widely recognized and was most recently affirmed by the International Court of Justice in the Case Concerning East Timor (Portugal v. Australia) (30 June 1995).

2. The Aid and Trade Provision (ATP) is a special part of the ODA's budget which is designed to help UK companies win projects in developing countries. ATP projects are negotiated by the contractor and approved by the Department of Trade and Industry and the ODA. All projects are supposed to comply with certain industrial, commercial and developmental criteria. ATP projects in Indonesia are now funded by means of soft (i.e. concessional) loans which are repayable over 25 years, with a seven year grace period, and at an interest rate of no more than 3.5%.

THE ROLE OF GEC

1. GEC has a long history of involvement in deals linking aid and arms sales. It is the prime contractor for certain of the defence projects linked with the Pergau Dam in Malaysia, and the main subcontractor to the Balfour Beatty/Cementation joint venture on the construction of the Dam.

2. The link between aid and arms sales is confirmed by the involvement of the GEC group of companies in controversial aid contracts and arms deals in Indonesia.

3. Equally disturbing are GEC's close ties with the Conservative party and former ministers and its representation on influential quangos responsible for determining policy on exports.

4. It has been argued that there is nothing wrong with a company the size of GEC, which has civil and defence divisions, being involved in aid projects and arms sales provided there is no formal linkage. That argument only holds good if the defence sales are legitimate and the aid projects are for sound developmental purposes. That is not the case with GEC's dealings with Indonesia.

HOW GEC 'AIDS' REPRESSION

5. The Government is exceptionally secretive about arms-exports related information, and in particular about the granting of licences for arms export. The following list, in so far as it concerns arms deals, relies to a large extent on press reports since the Government repeatedly refuses to answer questions about export licences. It shows a series of arms deals interspersed with aid contracts :

a) 1985 - Marconi Communications Systems Ltd. (now GEC-Marconi Communications Ltd.) awarded a £1 million order for the supply of an integrated

communications system to the Indonesian Navy⁸. It has been pointed out that the isolation of East Timor since the Indonesian invasion has depended on a rigorous naval blockade which could not have succeeded without, amongst other things, submarines fitted with the Marconi system⁹. The Indonesian Navy has recently decided to step up its patrols in waters off East Timor following Australia's decision to grant temporary visas to 18 East Timorese who fled there by boat in March¹⁰.

b)1989 - GEC Diesels Ltd. - £5.89 million ATP agreement for scattered diesels. Involved the supply of six 2.5 mW diesel generating sets to increase capacity at three sites. The project was implemented by the Indonesian State Electricity Authority¹¹.

c)1990 - Marconi Communication Systems Ltd. (now GEC-Marconi Communications Ltd.) - ATP agreement for shortwave radio transmitters (see below).

d)1993 - GEC benefits from the highly controversial £500 million British Aerospace contract signed with the Indonesian Government in June 1993 for the supply of Hawk 100 advanced trainer/light attack aircraft and Hawk 200 single-seat fighters through the following related deals:

e) GEC-Marconi Avionics Ltd - Modular forward-looking infra-red thermal imaging systems, which provide night and poor-visibility navigation and attack capability for high performance military aircraft, selected for configuration into the Hawk 100 aircraft¹² (in 1991, GEC-Avionics Pathfinder 2000 system was included in the support package for the Hawk 100/200 aircraft for Malaysia¹³).

⁸ Jane's Defence Weekly, 22/4/95.

⁹ John Taylor, *Indonesia's Forgotten War: The Hidden History of East Timor*, 1991, Zed Books Ltd., p. 175.

¹⁰ Indonesian Observer, 29/7/95.

¹¹ Hansard, 6/6/95, cols. 58-59.

¹² British Defence Equipment Catalogue 1995, p. 300.

¹³ Defence, February 1992.

ii) GEC-Marconi Defence Systems won major export order for electronic warfare equipment for Tornado and Hawk aircraft¹⁴.

Although the Hawks are being sold as trainers, it is known that they can be converted easily to ground attack aircraft. There have been persistent reports of Hawks sold under previous deals being used to attack East Timorese villages.

f)1995 - GEC head up display combined with weapons aiming computer (HUDWAC) system selected for upgrade of Indonesian Air Force's F-5 fighter/ground attack aircraft, designed to improve their operational capabilities in air and ground attack roles¹⁵.

g)1995 - GEC-Marconi Communications Ltd. wins £12 million contract for supply of shortwave broadcasting system for Radio Republic Indonesia, to include shortwave transmitters, satellite programme links and ancillary equipment¹⁶.

THE GOVERNMENT'S ARGUMENTS:

"LEGITIMACY OF ARMS SALES"

6. Whenever the Government attempts to justify its policy on the sale of arms to Indonesia, it falls back on the specious argument that all states have the right to self-defence and the right to acquire the means with which to defend themselves. This argument ignores three crucial facts :

Firstly, Indonesia is an active armed aggressor by virtue of its illegal occupation of East Timor; the Government, by arming Indonesia is, therefore, giving implicit support, if not

¹⁴ GEC Report and Accounts 1994, p. 42.

¹⁵ Military Technology, July 1995.

¹⁶ Chelmsford Weekly News, 16/2/95; Essex Chronicle, 17/2/95.

explicit encouragement, to armed aggression. Secondly, there is no external threat to Indonesia from any of its neighbours (although Britain is doing its best to encourage a destabilising arms race in the region). Thirdly, the Indonesian military, apart from its activities in East Timor, is primarily engaged in internal security.

"DEVELOPMENTAL SOUNDESS"

Example 1 :- SHORTWAVE RADIO TRANSMITTERS PROJECT (e)

Background

7. This is a remarkable deal for several reasons, not least its value. Huge amounts of public money are being spent on a project which is of no obvious benefit to Indonesia's poor, and which appears to be completely devoid of developmental merit.

8. The contractor, Marconi Communications Systems Ltd. is part of the Electronics Systems division of GEC. When the project was agreed in 1990, over 75% of the sales of that division were to military customers. It is perhaps not coincidental that the Indonesian military is presently engaged in strengthening its communications infrastructure¹⁷.

9. The project involves an ATP soft loan of £26.9 million. When the aid agreement was concluded in 1990, it was the second largest ever ATP project in Indonesia. It involves the installation of high frequency transmitters for the National Broadcasting Network at Cimanggis near Jakarta and Bontosunggu, Ujung Padang, South Sulawesi to enable shortwave broadcasting to be heard throughout Indonesia. (How does the Government account for the expenditure of £26.9 million on two sets of transmitters?).

¹⁷ Defence and Aerospace Electronics, 9/11/92, cited in the World Development Movement's submission to the House of Commons Foreign Affairs Committee investigating the Peergau Dam project (Foreign Affairs Committee Third Report, 1993/94, Vol. II, HMSO 271-II, p. 122.

10. The principal objective of the project is 'to give the population access to information, and to educate and unite disparate communities'¹⁸. National unity is part of the state ideology, 'Pancasila', which is often used to justify repression.

Ministry of Information

11. The National Broadcasting Network has been described by a member of AJI, the Alliance of Independent Journalists in Indonesia, as 'a tool of the Government propaganda machine'¹⁹. The Network is part of the notoriously repressive Ministry of Information. The Minister of Information, Harmoko, himself has extensive media interests, *including interests in two private radio stations*, and he is also in charge of censoring the press.

12. Last year, Harmoko was widely condemned for banning three weeklies, *Tempo*, *Detik* and *Editor* for their perceived disloyalty to the Government. In July of this year, Golkar, the dominant Government-backed political organisation which Harmoko chairs, was criticised for monopolising news coverage on the state-owned TVRI, which is also within the jurisdiction of the Ministry of Information, and which is the only television station permitted by law to broadcast news²⁰. (Although these events occurred after the project was approved, they illustrate the culture of the department and the minister responsible for implementing the project). Official harassment and imprisonment of journalists is commonplace.

THE FAILURE OF THE ODA

Appraisals

13. The ODA is required by its own guidelines to carry out an institutional appraisal of each aid project, because, as the guidelines point out: 'Projects are implemented and

¹⁸ The sources for this and the previous paragraph are: Hansard, 7/2/95, cols. 174-175; Hansard, 8/2/95, cols. 289-294; and letter, Minister for Overseas Development to Ann Clwyd MP dated 24/8/95.

¹⁹ Source protected.

²⁰ Jakarta Post, 7/7/95.

operated by institutions. The way in which these institutions operate has a material impact upon the effectiveness of the project'²¹. Included in the factors which have to be taken into account in the assessment is: 'Political Background. Political significance of the institution, government ideology, regional factors'²².

14. The ODA's own guidelines also require a 'good government' appraisal which, amongst other things, takes into account democracy, pluralism, participation and respect for human rights²³.

15. In carrying out these appraisals in respect of the shortwave transmitters project, the ODA should clearly have taken into account:

- a) the role of the Ministry in suppressing media freedoms and, accordingly, in suppressing the right to free expression;
- b) the Ministry's record of political interference in the media; and
- c) the significance of the conflict between the private interests and public duties of Minister Harmoko.

16. It is difficult to avoid the conclusion that either the ODA failed to carry out the necessary appraisals in respect of this project or that it carried out appraisals which were wholly inadequate. **THIS IN TURN RAISES VERY SERIOUS QUESTIONS ABOUT THE EFFECTIVENESS AND ECONOMIC VALUE OF THIS SPECIFIC PROJECT**

17. **Ann Clwyd** has asked the Foreign Office numerous questions about this and other projects over recent months, which the department has either refused to answer or has answered unsatisfactorily. The Foreign Secretary must now be called to account publicly:

²¹ Guide to Aid Procedures, June 1994, E4.13.1.

²² Ibid., E4.13.7.

²³ Ibid., E4.14.1.

i) Why did the ODA (and the DTI) approve the award of the contract to GEC, which has a history of involvement in arms sales to Indonesia? Did that not breach the Government's own policy that there should be no linkage between defence sales and overseas aid expenditure? Does not the involvement of the same company provide a very real linkage?

ii) To what extent were institutional and good government appraisals carried out and what were their conclusions?;

iii) To what extent does the project benefit the poorest people in Indonesia (the ODA guidelines also require that all projects must benefit poor people²⁴) ?;

iv) What evidence is there that the project is value for money?; and

v) In what respect does the project have a sound developmental purpose?

Example 2 : Radio Studios Rehabilitation Project

18. Another equally suspect Ministry of Information (although not a GEC) project is the radio studios rehabilitation project, which involved an ATP soft loan of £5.04 million to replace equipment lost in a fire at the central radio studios in Jakarta which disrupted national radio programmes. The studios and the shortwave transmitters will be used by Radio Republic Indonesia, which is also part of the Ministry of Information, and which by law is the only station permitted to broadcast national news in Indonesia.

Bandung TV Studio Project

19. A further £2.91 million²⁵ was wasted on the Ministry of Information through expenditure on the Bandung TV studio project (again not a GEC project), which was withdrawn from the aid programme, because of its developmental unsoundness, following the Pergau Dam decision. The Secretary of State has refused to refund to the aid programme the money spent on the project.

²⁴ Ibid., G2.01.12.

²⁵ Letter, Minister for Overseas Development to Ann Clwyd MP, 5/8/95.

20. One must question the British Government's priorities when it spends nearly £35 million assisting the Government of Indonesia to spread its propaganda message, at the same time as it is spending virtually nothing on poverty reduction projects.

GOVERNMENT COVER UP

21. The scandal of the apparent waste of public money on an unsound project is compounded by the scandal of the Government's refusal to answer legitimate questions about the project.

22. The covering-up of information embarrassing to the Government is regularly practised by ministers, in direct contravention of the Prime Minister's proclaimed belief in open government. Questions of legitimate public concern are met with standard blocking answers. Favourite answers are - the 'disproportionate cost' answer; the 'it has been the practice of successive governments not to reveal details...' answer; and the 'confidential' answer - each one of which is used to conceal the truth.

23. In the cases of the shortwave transmitters project and several other projects, Ann Clwyd asked the Foreign Secretary a series of very specific questions, in the form of one written parliamentary question for each project. Predictably, back came the response: 'Answers covering such a wide range of issues could be provided only at disproportionate cost'²⁶. And yet the following day, referring to 'disproportionate cost' answers, in the debate on Standards in Public Life, the Chancellor of the Duchy of Lancaster, the Minister responsible for open government, stated: 'The solution lies in the hands of Members, who must ensure that their questions are as specific as possible. ...If the question is specific, it can be answered'²⁷.

²⁶ Hansard, 17/7/95, cols. 955-957.

²⁷ Hansard, 18/7/95 col. 1478.

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²⁶ Hansard, 17/7/95, cols. 955-957.

²⁷ Hansard, 18/7/95 col. 1478.

24. When pressed about his department's refusal to answer the questions, the Foreign Secretary responded: 'The costs would breach the advisory cost limit of £450 for answering written PQs... Although Ministers have the discretion that questions be answered irrespective of cost, **I am not convinced that the time, effort and cost involved in doing so in this case would be justifiable in the public interest**'²⁸ [emphasis added].

25. In other words, in respect of the SHORTWAVE TRANSMITTERS PROJECT, what the Secretary of State is saying is that *it is in the public interest to refuse to account to parliament for the expenditure of £26.9 millions of taxpayers money on a project of questionable developmental value, because it might cost the department more than £450 to answer the question.*

26. The argument is plainly ludicrous and illogical. By definition, the proportionate cost of an answer must vary according to the nature of the question; proportionality cannot be measured by reference to a completely arbitrary figure of £450. A cost limit of £450 may be appropriate to some questions, but it is not appropriate to many others, such as those relating to hugely expensive aid projects.

27. **There is absolutely no public interest in the Government suppressing information about its aid programme, unless it has something to hide. On the contrary, in the wake of the Pergau Dam debacle, the public is entitled to nothing less than the whole truth.**

The whole investigation into the Pergau Dam was started by Ann Clwyd when she was Shadow Secretary of State for Overseas Development. She wrote to the National Audit Office at the time asking them to carry out an investigation on the basis of evidence she produced.

²⁸ Letter to Ann Clwyd, 27/7/95.

FRIENDS IN HIGH PLACES

28. GEC has been particularly successful in concluding a series of aid contracts (GEC has won more ATP contracts worldwide than any other company apart from Balfour Beatty²⁹) and arms deals. GEC has also good contacts through former ministers, donations to the Tory party and membership of unaccountable quangos:

- Former leading Tory minister, Lord Prior, has been the chairman of GEC since 1984. He was able to make use of the "revolving door" between Westminster and the private sector by taking up the chairmanship a few days after he stood down from the Cabinet.
- the company is a known contributor to Tory party funds³⁰.
- Mr. K A Bray, the Managing Director of GEC Alsthom, is a member of the Overseas Trade Board. The Board 'provides expert advice to DTI Ministers and their officials on issues affecting UK industry's ability to compete effectively for major projects overseas and serves as a focal point for industry to communicate its views to Government'³¹. **In other words, the members of the Board have privileged access to ministers and officials, and are able to promote the interests of their companies in a completely unaccountable and unrepresentative manner.**
- Mr. D B Newlands, GEC's Group Finance Director, is a member of the Export Guarantees Advisory Council³², which advises DTI ministers and officials on matters relating to export credits. Although the then Trade Minister, Richard

²⁹ Hansard, 1/12/93, cols. 570-571.

³⁰ The Independent reported that, since 1978, GEC has given at least £100,000 to the Tory party (Chris Blackhurst *Clique makes millions from aid*, 13/2/94). In evidence to the Foreign Affairs Committee investigating the Pergau Dam project, Mr. John Lippitt, a director of GEC, confirmed that this company had made donations to the Tory party, and did not deny the Independent's figure (Foreign Affairs Committee Report, op. cit., p. 231).

³¹ Hansard, 7/7/94, col.?

³² Hansard, 24/1/94, col. 7.

Needham, refused to give the information (see below), ECGD has just revealed that, since 1 August 1993, it has issued 21 guarantees in cases where companies within the GEC group were the insured. That represents roughly 7.5% of all guarantees³³.

- The company has developed close ties with former Trade Minister, Richard Needham (see next section), and offered him a job advising on exports immediately after his resignation from the Government.

RICHARD NEEDHAM MP

29. A study of the career of Richard Needham reveals a close association with GEC chairman, Lord Prior, official dealings concerning the company, and a distinctly pro-Indonesian stance:

30. Profile:

a) 1974-79. Personal Assistant to James Prior as opposition front bench spokesperson on employment.

b) 1983-84. Parliamentary Private Secretary to James Prior as Secretary of State for Northern Ireland.

c) 1991. As Parliamentary Under Secretary of State for NI works closely with GEC-Alsthom on job losses at Larne.

d) 1992-95. Minister for Trade.

e) Oct. 1992. Visits China on trade mission with Lord Prior.

f) 1993. Visits Indonesia on trade missions 7-10 January, 1-3 June and 1-3 December. In a parliamentary written answer on 14 June 1993 states that no representations relating to human rights abuses were made to Indonesia during

³³ Letter, 7/4/95, B Willott, Chief Executive ECGD, to S Byers MP and letter, 5/9/95, B Willott to Ann Clwyd.

his June visit and: 'The purpose of my visit was to promote and further the interests of the accompanying British firms...'

g) 1993. As Minister for Trade, responsible for approving the export licences for the Hawk aircraft (the sale of which will also benefit GEC - see above) and for approving a massive increase in the proportion of defence related export credits for Indonesia from 1.7% in 1991/92 to 97.3% in 1992/93³⁴. It is thought that the increase was necessary to cover the Hawks deal.

h) 11 May 1994. In an exchange in Parliament, during oral questions to the DTI on the subject of the sale of the Hawks, dismisses suggestions that 200,000 people have been killed in East Timor since the Indonesian invasion. Makes it clear that aerospace jobs in Britain are more important than East Timorese lives³⁵.

i) 18-23 October 1994. Visits Indonesia on trade mission.

j) October 1994. Criticises a group of 'Amnesty International' in his constituency for damaging business prospects abroad by protesting about Indonesia's treatment of East Timor: 'I don't believe that by trying to impose trade restrictions between Britain and Indonesia it will do anything to change the opportunities for the people of East Timor ... Meetings of Amnesty International in Chippenham are not going to resolve the problems of East Timor'³⁶.

k) April 1995. Refuses to answer parliamentary question (by Stephen Byers MP) concerning guarantees awarded to companies, including GEC, with representatives on Export Credits Guarantee Advisory Council (see above). He uses one of the three favourite blocking replies referred to above: 'It has been the policy of successive Governments not to disclose information about commercial relations between ECGD and individual companies unless the

³⁴ Hansard, 9/2/94, col. 318.

³⁵ Hansard, 11/5/94, col.307.

³⁶ Chippenham Gazette and Herald, 27/10/94.

relevant parties have agreed to this' ³⁷. The information was later disclosed by the Chief Executive of ECGD.

l) 5 July 1995. Stands down as Minister for Trade following Government reshuffle.

m) 2 September 1995. Imminent appointment to board of GEC announced.

31. There is no suggestion that Richard Needham acted improperly when Minister for Trade (although many would seriously question the ethics of his dedication to promoting the Indonesian cause), but the speed with which he accepted a position on the board of GEC raises important issues of public concern which Ann Clwyd has drawn to the attention of the Prime Minister and of Lord Nolan's Committee on Standards in Public Life.

³⁷ Hansard, 31/1/95, cols. 612-613.

II

INDONESIAN NATIONAL POLICE (INP) TRAINING

32. The Government has been providing UK training awards for Indonesian police officers since 1979 and meeting some of the costs of training courses in Indonesia since 1983³⁸. The training provided is supposed to include courses on personnel management, business administration, training management, organisation development, leadership, training for trainers and attachments to UK police forces³⁹.

33. More recently, on 22 March 1990, the Government approved the Police Management Training project, involving allocated expenditure of £713,000. The project, which began on 16 June 1990, claims to have as its objective the improvement of the quality of service of the INP through the establishment of a consultancy unit which advises senior management on strategic change and on ways to solve management and organisation problems⁴⁰. The Government has stated that it hopes the assistance it provides 'will influence all receiving it and help develop respect for human rights in East Timor'⁴¹.

34. **THE USE OF BRITISH AID MONEY TO TRAIN THE BRUTAL INP IS A MORAL DISGRACE AND A RECKLESS WASTE OF TAXPAYERS MONEY.**

IMMORALITY OF POLICE TRAINING

Background

35. The bulk of the INP descended from the various Dutch colonial police bureaucracies. In the 1950's and 1960's, the elite Brigade Mobile (Brimob) unit dominated the police and pushed hard for the creation of an entirely separate police hierarchy, outside the Ministry of the Interior. This goal was achieved under President Sukarno's Guided Democracy (1959-65).

³⁸ Hansard, 11/5/95, col.584.

³⁹ Hansard, 21/6/95, col. 275.

⁴⁰ Hansard, 3/3/95, col. 728.

⁴¹ Hansard, 10/2/94, col. 456.

36. After the 1965 coup, and Sukarno's deposition, the army leaders were determined to end the autonomy of the police, which was declared one of the armed forces and placed under the Armed Forces Commander in Chief (initially President Suharto) operationally, and the Ministry of Defence administratively. The INP now has very little independent power, and is essentially a paramilitary, as opposed to civilian, force. In 'insecure areas' such as East Timor, the INP is wholly under the command of the local military.

Human Rights Record

37. The primary role of the armed forces, including the police, is maintaining internal security. This often leads to human rights abuses particularly against separatist groups in East Timor, Aceh and Irian Jaya. In recent years the INP has been implicated in the following violations:

a) The police have been involved in the summary killing of alleged criminals over a period of at least ten years. In Jakarta, a "shoot-on-sight" policy instituted by the Chief of Police in 1989 left more than 200 dead over four years. In the two years up to February 1994 alone, Jakarta police shot and killed 134 alleged criminals. Many more were shot dead in the "Operation Cleansing" campaign in the lead-up to the APEC meeting in November 1994⁴² (see also profile of M Hindarto, below).

b) Each year a large number of prisoners are reported to have died in custody as a result of ill-treatment or torture in police or prison custody. In the five years to 1994, Amnesty International recorded more than 100 suspicious deaths of criminal suspects in custody ⁴³.

c) The UN Special Rapporteur on Extra Judicial, Summary and Arbitrary Executions, reporting on his mission to Indonesia and East Timor in July 1994,

⁴² Amnesty International, Nov. 1994, *Indonesia: "Operation Cleansing" Human Rights and APEC* pp. 22 et. seq..

⁴³ Amnesty International, 1994, *Power and Impunity: Human Rights under the New Order*, p. 74.

noted: 'grave allegations concerning the adverse role of the police in the Santa Cruz killings and subsequent incidents' ⁴⁴. The only one of the security forces charged with assault (cutting off the ears of a demonstrator) following the killings was a police corporal ⁴⁵.

The Special Rapporteur was particularly critical of the police investigation of the killings. Commenting on the 'inappropriately light sentences' imposed on the security forces involved in the killings, the Special Rapporteur said that 'they [the sentences] illustrate that little importance is given to the respect of the right to life by Indonesian law enforcement officials in East Timor' ⁴⁶.

38. The British Government has admitted that the consultancy unit established by the INP under the police management training project is available to advise and assist the East Timorese police authorities if required⁴⁷ and that those trained under the aid programme may subsequently serve in East Timor ⁴⁸.

39. There can be absolutely no moral or political justification for British support for a police force with such an appalling record.

40. INDEED IT IS SIGNIFICANT THAT WHEREAS THE UN SPECIAL RAPPOREUR CALLED ON THE INDONESIAN GOVERNMENT TO ESTABLISH A CIVILIAN POLICE FORCE AS A MATTER OF URGENCY⁴⁹, THE BRITISH GOVERNMENT HAS, THROUGH ITS AID PROGRAMME, HELPED TO PERPETUATE AND LEGITIMIZE THE EXISTING PARAMILITARY FORCE.

⁴⁴ UN Economic and Social doc. E/CN.4/1995/61/add.1, p. 13.

⁴⁵ *Power and Impunity*, op. cit., p. 46

⁴⁶ Ibid. p. 21.

⁴⁷ Hansard, 6/6/95, col. 57.

⁴⁸ Hansard, 10/2/94, col.456.

⁴⁹ UN Ecosoc. doc., op. cit., p. 23.

INEFFECTIVENESS OF POLICE TRAINING

41. The Government would, no doubt, wish to argue that it is aware of the adverse record of the INP but that, in helping to strengthen management structures and in introducing officers to Western approaches to policing, it is aiming to improve respect for human rights. Such an argument is wholly unsustainable.

42. The US House of Representatives, in agreeing to cut International Military Education and Training (IMET) funds for Indonesia for 1993, roundly rejected similar arguments. Rep. Tony P. Hall said:

"Some argue that IMET helps to professionalize the Indonesian military. But this is the same military that opened fire on unarmed Timorese civilians at Santa Cruz cemetery....Under Indonesian rule, there is no justice for East Timor"⁵⁰.

43. Earlier, in testimony before the Senate Foreign Relations Committee, on 27 February 1992, Sidney Jones, Executive Director, Asia Watch and Indonesia specialist, stated:

"There is no indication whatsoever that IMET aid has contributed to the professionalism and humanitarian values of the Indonesian army...The question is not what training officers receive here, but what they do with it when they return. There is no indication that officers trained here are any less willing to condone abusive behavior than other officers" [emphasis added] ⁵¹.

44. She emphatically rejected the idea of the US providing police training:

"These police are part of the armed forces, who are responsible for torture on a routine basis. Their role in practice is to get information from suspects by any means possible and to administer summary punishment as they see fit. *To give them additional training with US funds as long as the structure in which they*

⁵⁰ Congressional Record, 25/6/92, H5249.

⁵¹ Asia Watch transcript.

*operate remains unchanged would be utterly irresponsible*⁵² [emphasis added].

45. The British Government on the other hand has stated that assistance to the INP is one of its highest priorities for supporting 'good government' in Indonesia ⁵³. As one of the central aims of the 'good government' programme is the promotion of human rights, it would be reasonable to expect human rights issues to feature prominently in the police training. In fact they are conspicuous by their absence. Officers receiving scholarship awards do not undergo training in human rights law, the British consultants working under the police management training project have had no formal training in human rights law and they do not provide advice on such law ⁵⁴. **In this respect the support for the INP is a completely ineffective and questionable use of aid money.**

46. The ineffectiveness of the training is clearly illustrated by the fact that certain officers have, since completing their UK funded training, gone on to occupy positions of command responsibility in situations where severe human rights abuses have been committed. For example, COLONEL MOCHAMMAD HINDARTO was trained here between April and September 1986⁵⁵. He was subsequently (as Major General Hindarto) appointed a Chief of Police of Nusa Tenggara, the region which includes East Timor, from 1992 to March 1993, and then Chief of Police of Jakarta from March 1993 to January 1995. His record during those times is appalling, even by Indonesian standards.

Record of Major General M Hindarto

Chief of Police of Nusa Tenggara

47. The events described in this paragraph relating to Nusa Tenggara are taken from a

⁵² Ibid.

⁵³ Hansard, 3/3/95, col. 726.

⁵⁴ Hansard, 21/6/95, col. 275.

⁵⁵ Hansard, 12/7/95, cols. 611-612.

sworn statement dated 10 August 1995 of Luciano V Conceicao⁵⁶ , an East Timorese national now exiled in Portugal following his occupation, with other East Timorese, of the US embassy, Jakarta during the November 1994 APEC conference. He is a member of Renetil, the organisation of East Timorese youth and students which peacefully opposes the integration of East Timor within Indonesia. At the time of the events described, he was responsible for monitoring, through a network of sources on the ground, the careers and activities of members of the Indonesian Armed Forces, including the INP. As a result , he is familiar with the career of Major General Hindarto.

a) End of May, 1992. Police at Lospalos, East Timor arrested 26 year-old Eduardo Amaral. He was accused of involvement in the demonstration which preceded the Santa Cruz cemetery massacre, and of taking part in Fretilin anniversary celebrations. During questioning, Eduardo was seriously assaulted by two policemen. He was hit in the face with gun-stocks, kicked and severely punched. He was kept naked for the first five days of his detention, tortured and burned on his face and body with cigarette butts. During the 40 days of his detention, he was repeatedly beaten and hit with bars of iron and gun-stocks. 'His head was the target consequently he is mad now' [sic].

b) July, 1992. In Iliomar, Lospalos, police arrested a 47 year -old, Joao da Costa. He was accused of spying for Fretilin and of supporting the guerrillas in the mountains with clothes and medicines. During his detention, he was severely punched, kicked and hit with stones and blocks of wood. He still bears the scars on his face and he has lost a number of teeth.

c) September 1992. In the village of Muapitine-Lospalos, the police arrested 20 year-old Inacio Pires and 22 year-old Hermenegildo Xavier. They were suspected of being Fretilin informants. They were detained for 20 days in Lospalos, brutally kicked and punched and, during one 2-3 day period, given food only once.

⁵⁶ A copy of this statement is attached at the end of this report.

d) Mid-January 1993. In the village of Maina in the sub-district of Moro the police and military arrested 27 year-old Rui Antonio because he collected information about human rights abuses, and because he allegedly received money from overseas NGOs to support the clandestine activities of the resistance. He was imprisoned in Dili police headquarters for six months without trial. After his release, he was forced to report regularly to the local military for 10 months.

Chief of Police of Jakarta

48. a) 26/2/94 - *Jakarta Post*: 'Even Jakarta Police Chief Major Gen. Mochammad Hindarto admitted on Thursday that officers had a strong tendency now to shoot people caught red-handed at a crime "in order to give the public a greater feeling of personal safety." In the last seven days 10 suspects have been shot and killed'.

b) 1/3/94 - *BBC Indonesia* : In February 1994, 18 alleged criminals had been killed by the police. According to explanations of the central police station 'the shootings had been forced as the criminals had not been willing to surrender and had threatened the safety of the officers when taken into custody'. An official of the legal aid institute in Jakarta said that methods like the 'mysterious shootings' in the 1980's are being used again as a 'shock therapy' to contain crime.

c) 2/3/94 - *Jakarta Post*: City Police Chief Maj. Gen. Moch. Hindarto said he fully supported his subordinates in the shooting cases and said that police sometimes are forced to resort to shooting criminals in self-defence. Since January, police officers have reportedly shot 25 criminals, 19 of which died.

d) 11/3/94- *Jakarta Post*: Witnesses at a trial in South Jakarta told the court how they were beaten by police during questioning.... Wisnu and Asnawi said they were beaten by police detectives on the scene and also during questioning at the city police headquarters. Wisnu said that he was also beaten black and

blue by a police officer and forced to sign a testimonial document. "A policeman dictated it to me during questioning," he said.

e) 15/4/94 - *Jakarta Post*: Army-backed 'Operation Cleansing' gained support from the police and public yesterday. Hindarto said he appreciated Brig Gen Agum Gumelar's offer to 'unleash his men on the city's criminal element'.

f) 21/4/94 - *Editor*: In the three years prior to 1994, 188 'criminals' (suspects) were shot by Jakarta Police, resulting in 99 deaths and 89 injuries.

g) 30/4/94 - *Reuters*: Jakarta's police chief has vowed to clear criminals from the streets of Indonesia's sprawling capital before a meeting of Asia-Pacific heads of state in November...in a controversial anti-crime sweep codenamed 'Operation Cleansing'. The operation has led to the reported killings of three people trying to flee custody... 'We will not take unnecessary risks for the event so, before the meeting, Jakarta must be cleared of criminals,' ...Hindarto said.

h) 26/7/94 - *Jakarta Post*: Hindarto said that officers had a strong tendency now to shoot people caught red-handed at a crime 'in order to give the public a greater feeling of personal safety.'

i) 15/9/94 - *Jakarta Post*: According to newspaper reports, police in Jakarta have shot at least 60 people in the last four months, 40 of whom were killed.

COMMENTS

49. The ODA's Guide to Aid Procedures specifically states: 'ODA considers **non-military** security organisations such as police forces...as legitimate beneficiaries of the aid programme.... However, *each request for such aid must be considered most carefully in terms of both general human rights and the rights of the individual , taking account of the circumstances of the country in question. For instance tasks assigned to police vary widely from country to country and could be of a para-military nature...*' [emphasis added]. In doubtful cases a

request for aid must be referred 'to higher authority or for Ministerial approval'⁵⁷.

50. Again, it is doubtful whether the correct procedures were followed before the police funding was approved. The INP is most certainly a para-military force and even the briefest consideration of the human rights record of the Indonesian regime and the INP should surely have put a stop to this funding.

51. It is difficult to identify the real reasons for the British Government's support for the INP but it should be borne in mind that the Indonesian armed forces have a dual security and socio-political function. It is, therefore, likely that the Government is looking to foster its influence over senior officers, such as Hindarto, who are potential buyers of British arms/security equipment. In any event, there is, once again, absolutely no consideration for human rights and poverty reduction.

⁵⁷ GAP, June 1991, para. C5.03.

III

EAST TIMOR PROJECTS

52. The Government's inconsistency and disingenuousness concerning its aid programme is typified by its support for aid projects which operate in East Timor as well as Indonesia despite ministerial statements that the Government does not recognize Indonesia's annexation of East Timor: 'we do not therefore fund government to government aid projects in East Timor'⁵⁸.

53. THE SECRETARY OF STATE'S DECISION TO FUND THE PROJECTS BELOW MAY BE AN UNLAWFUL EXERCISE OF HIS POWERS UNDER THE OVERSEAS DEVELOPMENT AND CO-OPERATION ACT 1980 BECAUSE INDONESIA IS NOT THE LAWFUL RECIPIENT OF AID ON BEHALF OF EAST TIMOR.

The suspect projects are as follows:

A. REGIONAL PHYSICAL PLANNING PROJECT FOR TRANSMIGRATION

54. This project was approved in April 1984 and completed in March 1990. It involved a grant of £2.5m. 'to improve the planning capacity of the Directorate of Settlement Preparation [of the Ministry of Transmigration], by providing reliable maps and data concerning land quality and land availability for new settlements, taking into account forestry and other land use needs'⁵⁹. The project included the territory of East Timor⁶⁰.

⁵⁸ Lennox-Boyd, Parliamentary Under Secretary of State, Hansard, 10/2/94, col. 456.

⁵⁹ List deposited in House of Commons library pursuant to parliamentary written answer, 1/1/95, Hansard, col. 704.

⁶⁰ Hansard, 26/6/95, col. 466.

What is Transmigration?

55. In the context of East Timor the term 'transmigration' is actually a misnomer as it means the migration of people *within* a country. Here we are talking about the resettlement of Indonesians in a territory illegally occupied by Indonesia. The term is, therefore, used in this context to describe the type of migration which is state-sponsored and financed, as distinct from the more general form of migration into East Timor which is spontaneous in nature though strongly encouraged and assisted by the authorities.

56. Transmigration, which has involved widespread human rights abuses, including forced resettlement⁶¹, is a key element in the Suharto regime's policy for demographic control of the population. Officially, the objective is to reduce over-population in densely populated parts of the country, particularly Java and Bali, and settle the transmigrants on the outer islands which are alleged to be under-populated.

57. An essential aspect of the programme is the colonization of regions located far from the centre with Javanese peasants who have a stronger sense of loyalty towards the centre, the power base of the regime. The deliberate aim is to undermine non-Javanese societies and cultures.

58. In 1985 Minister of Transmigration Martono promised that:

'...by way of transmigration, we will try to realize what has been pledged, to integrate all ethnic groups into one nation, the Indonesian nation. The different ethnic groups will in the long run disappear because of integration, and there will be one kind of man' 62 .

59. Transmigration also plays a vital part in strengthening security and in maintaining control of the population in regions such as East Timor.

⁶¹ See *Banking on Disaster: Indonesia's Transmigration Problem*, the Ecologist, April 1984.

⁶² Cited in John Taylor, 1991, *Indonesia's Forgotten War: The Hidden History of East Timor*, p. 192.

60. Transmigration into East Timor began in the early 1980s and to the present time has probably resulted in the settlement of between 20,000 to 25,000 people. George J Aditjondro the respected Indonesian academic and East Timor specialist has described transmigration as one of the 'five main environmental problems "plaguing" the land of Loro Sae [East Timor]'⁶³. Native peasants have been deprived of their land without compensation, whereas Balinese transmigrants have been able to take advantage of the previously cultivated land, thus 'widening the gap between their level of prosperity, culture and religion and those of the local inhabitants'. Transmigration sites in the area of the border with West Timor 'have become a great draw for spontaneous migrants from West Timor [who] will soon intensify the struggle for land in the border region'⁶⁴.

61. The words of the Minister of Transmigration cited above make it clear that the Regional Physical Planning Project for Transmigration has made a real contribution to the integration of East Timor within Indonesia. But the project is equally significant for its symbolic importance and for its exposure of the reality of the British Government's attitude towards East Timor.

B. THE NATIONAL OVERVIEW OF LAND RESOURCES PROJECT

62. This project, approved in 1980 and completed in 1989, involving a grant of £265,000, also included East Timor. Its purpose was to train forestry officers in the concepts and methods used for land classification and resource assessment. It reviewed the land resources and land use of the whole of Indonesia, including East Timor⁶⁵.

C. THE REGIONAL PHYSICAL PLANNING, MAP IMPROVEMENT AND TRAINING PROJECT

⁶³ George J Aditjondro, *From Memo to Tutuala: A kaleidoscope of environmental problems in East Timor*, in 'An Indonesian Intellectual Speaks Out', 1994, Australian Council for Overseas Aid, p. 9.

⁶⁴ Ibid. pp. 17-18.

⁶⁵ List, op. cit. and Hansard, 4/7/95, cols. 112-113.

63. This project, approved in 1990 and completed in 1994, involved a grant of £659,696 and included local training courses in Dili for officials from Government Departments in East Timor⁶⁶. The Indonesian training team was supported by a UK trainer from the Natural Resources Institute⁶⁷.

COMMENTS

64. Replying to a question regarding the costs of these projects in so far as they related to East Timor, Baroness Chalker stated: 'In none of these cases do our records disaggregate amounts spent by province, so it is not possible to give a precise figure for costs in relation to East Timor'⁶⁸. The clear implication is that she regards East Timor as a province of Indonesia.

65. The fact that the British Government has funded projects which operate in East Timor indicates that, despite statements to the contrary, it has in practice not only recognized Indonesia's annexation, but aided it. In doing so the Government has given much needed credibility to Indonesia's claim to exercise sovereignty over East Timor.

66. THE GOVERNMENT HAS ALSO LIED TO PARLIAMENT IN STATING CATEGORICALLY THAT THE GOVERNMENT DOES NOT FUND GOVERNMENT TO GOVERNMENT PROJECTS IN EAST TIMOR.

⁶⁶ List, op. cit. and Hansard 4/7/95, cols. 113-114.

⁶⁷ Hansard, 17/7/95, col. 955.

⁶⁸ Letter to Ann Clwyd, 9/8/95.

IV

BRITISH GOVERNMENT CONTEMPT FOR HUMAN RIGHTS IN EAST TIMOR

67. It is perhaps inevitable that there are times when the British Government's singular pursuit of commercial gain exposes the myth of its commitment to human rights. That happened most emphatically when the Government, with remarkable callousness, signed with the Government of Indonesia a memorandum of understanding relating to defence contracts on 18 November 1991⁶⁹, just six days after the Santa Cruz killings. There is absolutely no doubt that the British Government was fully aware of the scale of the atrocities in the Santa Cruz cemetery as staff attached to the British embassy in Jakarta visited Dili between 14-19 November 1991⁷⁰.

68. The action of the British Government in signing the MOU must have spoken infinitely louder than its half-hearted words of condemnation of the killings. It is not unreasonable to conclude that this 'business as normal' reaction of the Government played a significant part in reassuring the Indonesian Government that it could afford to play down the scale of the atrocities in the Santa Cruz cemetery.

69. When questioned about the provisions of the MOU, the Government employed a combination of two of its favourite blocking replies and said: 'Details of exchanges between Governments are confidential; and it has been the general policy of successive governments not to reveal them'⁷¹. And yet a similar question relating to an earlier MOU was answered in full in October 1992 without the Government claiming confidentiality or hiding behind a policy which clearly does not exist⁷². **This is a further example of unacceptable Government secrecy which exposes the emptiness of ministerial commitments to open government.**

⁶⁹ Hansard, 1/3/95, col. 609

⁷⁰ Hansard, 8/3/95, col. 198.

⁷¹ Hansard, 3/7/95, col. 90.

⁷² Hansard, 27/10/95, cols. 614-615.